

THE REAGAN ERA
Interview #4
Wednesday, June 30, 2004

RITCHIE: We just had the first state funeral in thirty-one years, for Ronald Reagan, and since you are now in the Sergeant at Arms office I'm sure you must have had a lot to do with it. I wondered if you could relate some of the events and activities you were involved in.

KENNEDY: The office was involved in a whole lot of things and very much a part of the whole process. The plan for the state funeral is largely developed by the people in the Defense Department, specifically the Military District of Washington. Plans for the Reagan funeral had been going on for a long time. There had been a lot of conversations with the family, and the plan had been thoroughly vetted, revised, modified, and updated in the past couple years, as everyone knew that President Reagan was in decline.

Having said that, given that from the time of his death until the time of his arrival for the lying in state there was only three days, and given that this state funeral was held in the context of post-9/11 and all the security attending thereto, it was a huge undertaking. The whole event was officially categorized by the Secret Service as a National Security Event, which escalates security precautions to an incredible degree. One of the Secret Service agents that was up here on the Hill coordinating all of the activities likened it to preparing for a inauguration with just three days' notice. Of course, preparing for the inaugural is a multi-month thing. It all seemed to come together quite well. Everybody was very impressed with the ceremony and the dignity of the occasion.

It required a huge level of participation from the Capitol Police on a round-the-clock basis because from the time the casket arrived in the Rotunda until it departed the Capitol was open and people were filing through. It required a lot of work with and cooperation with the House of Representatives because the Rotunda is mutual ground. There was the occasional friction between the two houses as to who was "in charge." Of course, neither body is "in charge," and that's part of the problem.

For my own part, I spent a great deal of time negotiating issues with the press. You know the Sergeant at Arms and the Senate is the employing authority for the staff in the various media galleries. They are constantly negotiating between what the Sergeant at Arms views is proper in terms of protocol and security and what the media want in terms of access and numbers. There was intense media scrutiny in all of this and they had a huge presence up here. It just took a lot of negotiation between what they wanted to do and what was proper to do. And then there were the various connected protocol responsibilities of the office. There were escort duties. When the vice president comes to the Senate, I greet him and escort him where he wants to go. Bill Pickle, the Sergeant at Arms, and his House counterpart Bill Livingood, were responsible for greeting Mrs. Reagan when she arrived, and for greeting the President and Mrs. Bush when they came on Thursday. I was asked to escort [Mikhail] Gorbachev when he came. That was fun, you know, that was interesting.

It was a very busy time but everyone was aware that it was a historic event and appreciated the historical import of what was going on. On Friday, the day of the funeral, the Sergeant at Arms office was responsible for getting the senators up to the National Cathedral—load them on buses and take them up there. That was a very impressive ceremony. Again it was a privilege to be there for an event of that significance.

Then in the hours just before the arrival ceremony we had an emergency evacuation of the Capitol, indeed the whole campus, because of a perceived air threat. That was attention getting. I was standing with my House counterpart, the House deputy, standing outside the vice president's ceremonial office in the Capitol. We were preparing to rehearse our escort of the vice president to where he was supposed to be in the Rotunda for the ceremony. She and I both received BlackBerry messages that the Capitol Police have an escalating threat and there's concern of an unauthorized aircraft in the area. The threat system goes from condition blue up to condition red, red being "we've got an incoming plane." First we received a yellow alert, then we received an orange alert, so she and I knew that something was afoot. So when the police in the Senate Reception Room started hollering, "Everyone needs to leave the building immediately!" we had a bit of head start on other folks, knowing that it really was serious.

We went out the second floor and ran down the grand steps and made a beeline

over here to the Capitol Police headquarters. In that reception area off the Senate floor at the time there were dozens of dignitaries that Mrs. Reagan had invited to come to the Capitol. Former Secretary of State [George] Shultz, former Secretary of State [Al] Haig, former Secretary of Agriculture John Block. Senator and Mrs. Baker were not yet there but they were to be there. All those folks were summarily hustled out of the building. By the time we got over there to police headquarters they had figured out what the problem was and they knew that they didn't have a real threat to the Capitol, but it was a real life exercise.

RITCHIE: Do you think because of the heightened security for the funeral everybody was on a hair trigger that stimulated some of the response to that instance, or would it have happened no matter what?

KENNEDY: I think it would have happened no matter what. Clearly there was a heightened state of alert and people were just that much more nervous perhaps. But they have protocols for looking at this, the Capitol Police do. There's a conference call that gets set up immediately whenever an aircraft enters Washington airspace and is not doing certain things or is doing certain things. On that conference call it's the Capitol Police, the Department of Homeland Security, the Secret Service, it's a host of agencies. This airplane was unidentified and not responding. It met the criteria, so Chief [Terrance] Gainer, the chief of the Capitol Police, made the call. The two Sergeants at Arms were on that call and completely agreed.

The Capitol got evacuated in about ninety seconds. It was a very good thing that it happened while the building was closed to public tours. If there been the normal summertime afternoon population in the building it would have been very difficult. A lot of people could have been hurt just trying to get out. Were you here?

RITCHIE: I had just left. I had agreed to do a "chat room" for the WashingtonPost.com's website, and it was easier to do it at home watching the funeral on television than to do it here. So I had just left the building a few minutes before.

One of the differences between this state funeral and previous ones was this one took place on the West Front as opposed to the East Front, because of the construction of the Capitol Visitor Center. How much did that complicate efforts to reorient the whole

ceremony in the other direction?

KENNEDY: It was much harder really for the pallbearers. Otherwise it didn't make that much difference. Now, many people pointed out the symmetry of President Reagan being the first President inaugurated on the West Front and how appropriate it was that he would leave the Capitol from the West Front. So who knows if the CVC had not been under construction whether we would have done it on the East Front or not. But the main complication was for the guys who actually carried the casket. It was a very heavy casket, 750 pounds, and there were concerns because the first couple of times that the military rehearsed the soldiers had such difficulty with that great weight that there were some contingency plans made to actually bring the casket around to the Senate steps and come up that way. Because those troops had to go up three flights of stairs just to get into the building, and then once in the building they had to come up two internal staircases to get to the Rotunda. They switched teams twice, once on the Capitol terrace and then once in the building. They just changed guys.

RITCHIE: Were you involved in this dress rehearsal? Had they gone through all these stages before?

KENNEDY: Oh, yes. Bringing the caisson up onto to the terrace down there on the West Front, and unloading the casket, and taking it up and mounting it on the catafalque. They did everything.

RITCHIE: You also mentioned that you dealt with the media. Someone pointed out that one of the big difference between this state funeral and the one thirty-one years ago was that the last time there were only three networks. Now the media has grown exponentially. What were the problems about accommodating so many more stations and so many more reporters?

KENNEDY: Well in the Rotunda itself there had been an agreement long ago that there would be pool coverage, and that was handled by NBC, in terms of television coverage. The other great demand in the Rotunda itself was from press photographers. They wound up with I want to say about thirty spaces on a platform there in the Rotunda. Plus they persistently argued for, and eventually got, permission to have a photographer up in the dome to shoot those internal shots. And then out on the West Front, there were

certain designated camera positions that had been negotiated with and had been approved by the Military District of Washington in developing the funeral plan. Those were pool coverage. Then there were other platforms on the ground on Constitution Avenue that were—I forget the term for it, but anyway they were platforms where you could have everybody, not pool. So you had CNN, and CNBC and all the rest of it. The major networks and the minor networks.

In fact, there was on, what was this Friday morning I guess, the day of the arrival Larry Janezich, the director of the Radio & TV Gallery, came to the office hat in hand and regretted to inform Mr. Pickle and me that NBC had constructed an unauthorized platform out on the Capitol grounds, because they had decided they were just going to need more room. So there was a bit of trip to the woodshed for the NBC producer, but eventually it did get approved. They got to keep it on the grounds.

RITCHIE: The media was just intense in covering the whole operation. I can't imagine how you could have accommodated them anymore than you did.

KENNEDY: Well, when it was all over people seemed to be fairly happy with all the arrangements.

RITCHIE: Well, considering that we have several other former presidents who are in their eighties and nineties now, were there any experiences from this state funeral that you think might affect the way future ones would be done? Any revisions that might be made or lessons learned?

KENNEDY: Yes, I think certainly and in fact there is already been a “lessons learned” meeting of all the congressional participants. The House folks arranged for a joint meeting a couple weeks ago that involved the House and Senate Sergeants At Arms, the Clerk of the House, the Secretary of the Senate, people from the Speaker's office, the Capitol Police, people from the galleries, to raise problem areas, things that went right, things that went wrong. I think primary among them are, as is so often the case, are basically just communication and coordination issues. There is no single entity in charge, and there won't be. So you have to have a willingness of the House and the Senate and folks in the Military District of Washington to sit down together and talk about how it's going to go.

It's fresh in everybody's mind now. If we have another state funeral in the near future, I think that it will go more smoothly. Certainly a big concern is just movement of people through the building. There were people who waited in line for hours and I think everyone would like to see that there's a way to move it more quickly. I don't know if you can, just because of the way you have to access the building now, and the necessity to screen people. I was in Washington for the Johnson funeral, and in fact was living over here on East Capitol Street. For that funeral, access was through the East Front of the grand staircase directly into the Rotunda. It was easier to move in then. There was no security screening, so presumably people moved more quickly. But even so, I can remember looking out my apartment window at 10:00 at night, and this was the dead of winter, and the line was—I was in the 300 block of East Capitol Street—and it was almost all the way down to Lincoln Park. It was estimated, I guess, that there were some forty thousand people that came through the Rotunda for the Johnson lying in state. For Reagan it was in excess of a hundred thousand. I mean there's just so many people you can move through there.

RITCHIE: Perhaps the Visitor Center might improve things, if it's ever finished.

KENNEDY: It will get finished.

RITCHIE: And I'm sure that funerals will revert to the East Front, which is much more accessible. The West Front is beautiful, but it's three stories taller than the other side. Well, the state funeral directed an enormous amount of attention onto Reagan's presidency and there were a lot of reflections on that time. I wondered how you reflected on Reagan's legacy, having served as the staff director of the Appropriations Committee in majority or minority positions through his entire presidency.

KENNEDY: Well, there was much talk in the Kennedy household earlier this month about the degree of revisionist history that seemed to be going on. As my wife put it at one point, she said, "You know I can remember when ketchup was a vegetable." The whole story is not being told here, and that's the way it always is with funerals. The guy got a very good send-off and it was an appropriate recognition of his eight years as president. But those eight years were not always as happy as was talked about during the

first week of June. Of course, I worked for a senator who had a lot of disagreements on a policy basis with that President. They got along famously as friends, but disagreed on chemical weapons, and the nuclear freeze, and the Contra affair, and general budget priorities. There were a lot of disagreements. In reflecting on those eight years, I thought about a lot of those times, and it was more of a fight than it was one big happy family.

RITCHIE: How did you rate the administration in terms of, for instance, their dealings with Congress? Was it an effective administration in terms of it's congressional lobbying?

KENNEDY: Yes, I think so. In the first few years on Appropriations our primary point of contact was Dave Stockman. Say what you will about Dave Stockman, but he was a very smart fellow. He was a very good advocate for the administration's positions. And, goodness, people like Jim Baker were extremely competent folks. We learned early on to trust what they said to us. They were people that if you negotiated a deal with them, they stuck to the deal. If you did something that the president didn't want you to do, they'd tell you. If it came to it, you would get a bill vetoed. That happened too. At that sort of professional level, I thought it was a very good administration to deal with. Certainly in the first term. Then after Stockman left his first successor was Joe Wright, and then we had Jim Miller. Jim was much sharper edged than either Stockman or Joe Wright. He had a more political agenda than a policy one. It got a little difficult with him from the appropriations standing point, but we got through that too.

RITCHIE: In reflecting on that time, Reagan never had majorities in both houses, he only had a majority in the Senate, and even that he lost during his last two years. Did the fact that he was dealing with both parties in a sense force him to be a bit more pragmatic than he might have been otherwise?

KENNEDY: Oh sure, and I think it was a great benefit to everybody. This might be revisionist history too, but I think that '81 to '87, those six years where you had a Republican majority in the Senate, a Democratic majority in the House, and Reagan in the White House, things worked very, very well. They did so because you just had to work with the other side of the aisle, the other body. Frankly, it made our lives a bit easier in the Senate because we could always say to the administration. "Well, you know, the House just wouldn't agree. We'd love to carry your water here but we just can't sell it to

the Democrats in the House.” And of course the chairman of the House Appropriations at the time was Jamie Whitten from Mississippi. I think it’s fair to say that he and the majority of his committee were a little bit more conservative than perhaps the majority of the Democratic Caucus in the House. They in turn could use the Senate Republicans and the president as their foil and say, “We couldn’t sell it.” So things were driven more towards the middle.

RITCHIE: I think that probably the leadership and the Senate right now feels much more pressure from the House in some respects than even from the administration. And that complicates matters in trying to get things done.

KENNEDY: Indeed.

RITCHIE: In Paul O’Neill’s book [*The Price of Loyalty*], he quoted Vice President Cheney saying that Reagan proved that deficits didn’t matter. That was, of course, the big issue. The Reagan administration was committed to a balanced budget but never had one. There were soaring deficits through most of that decade. How did the deficits in the 1980’s affect the appropriations process?

KENNEDY: Well they affected it because Appropriations was everybody’s favorite whipping boy. Mark Hatfield said till he was blue in the face that appropriations bills are not the problem. The primary cause of the federal deficit is the growth of mandatory spending and entitlements. He would say that many, many times a year. Everyone with any knowledge of the federal budget completely agreed with them. Pete Dominici would agree with him, Bob Dole would agree with him, Alice Rivlin would agree with him. The CBO [Congressional Budget Office] would just churn out reports. You can just look at the facts. The Appropriations Committee, year in and year out for generations, appropriated less money than presidents asked for. It’s just historical fact.

But, as I had this conversation with David Stockman one time, he said, “All of that is true, but I could stop an appropriations bill, characterize it as wasteful spending, too much money, and we can stop that appropriations bill from becoming law with a presidential veto, and all I need is one-third plus one to uphold the veto. On the other hand to change any of these entitlement programs, I need a majority of both houses. So, you’re the target of opportunity. It was more of a rhetorical difficulty, if you will, than a

real substantive policy thing. But every time an appropriations bill went to the floor there was somebody who would do some sort of hand wringing about how if it weren't for this we wouldn't have these deficits.

I don't know how to make this connection but I'm thinking that the first Reagan veto that was overridden was on an appropriations bill. Now I want to say it was in '82, it might have been '83, but it was a supplemental. I think the sum total of it was like twelve billion dollars, and the majority of it was for defense. Let's just call it eight and four. Well, when the bill was sent to the president, it came out more like six and five. We cut defense and increased the amount for non-defense, but the total was less than was requested. And the president vetoed it. "This is just wasteful spending." All of it directed at the non-defense spending, because you know a defense dollar never caused any deficits in the Cap Weinberger days. The House overrode the veto handily, a Democratic majority. Then it came to the Senate and we overrode the veto when it was right on the money. It was like 67-33. It was a very interesting vote. Vice President Bush came up and presided even though he would not be voting in that situation, just to lend the administration presence.

Howard Baker did his customary thing of sitting on the desk in the well so everybody knew he was watching. I remember Larry Pressler coming in and voting "aye," and people kind of looking, and others. The interesting thing about the vote, the point I'm trying to get to, is Baker never really whipped anybody on this vote. It was getting down to the end there and everybody knew how close it was and Howard Greene [the Republican Secretary] was sitting at the table and he was kind of looking at Baker about "Are we going to keep this going? Do you want me to go and get anybody? Do we need to turn somebody? And Baker just gave him the wind-up sign. He knew what the outcome was and he made no effort to try to reverse it. So Bush brings down the gavel and the veto is overwritten, and Hatfield and I made a beeline for his chairman's office downstairs and cracked open a bottle of champagne. I may be ascribing more to it than was really there but I was convinced at the time that Senator Baker had decided it was time to show the administration that Congress was in charge and not David Stockman. This may have not been the mix of dollars that the president liked but it was less money than he had asked for, and it was misrepresenting the situation to say that this was responsible for creating deficits.

RITCHIE: As I recall some of that domestic money was for getting out of the recession that the country had gotten into at that time.

KENNEDY: That was why I think this veto override was in '82 because I think the so-called economic stimulus package was in '83. That was, yes, from the get-go that was an anti-recession fiscal stimulus package.

RITCHIE: Liberals were very concerned about Reagan when he came into office, that he was going to take the government to a hard right position, but in dealing with a complicated Congress the Reagan administration was quite often forced to the middle on a lot of issues. It wound up not rocking the boat perhaps as much as some people feared that it would, and becoming a much more popular administration as a result of that, another irony in looking back at that period.

KENNEDY: Right. It seems to be a point that the current administration has missed. A little pragmatism now and then can be helpful.

RITCHIE: Well, what about that quote that "Reagan proved that deficits don't matter"? Is that a valid conclusion to draw from the experience of the 1980s?

KENNEDY: No, I think Reagan proved that deficits don't matter as much as Reagan himself said they did, but they do matter. It's just a question of degree. I haven't looked at this recently but I guess economists would tell you that what matters is the size of the deficit relative to the size of the economy. The accumulation of national debt relative to the size of the economy, things like that. I happen to think that currently we ought to be a bit more concerned about deficits than the Congress currently seems to be. That's sort of old school, I guess.

RITCHIE: It was in the 1980's that push for a balanced budget amendment really began to gather some political steam. A lot of people were advocating it in the House and the Senate. Of course, Senator Hatfield eventually proved the pivotal person in ending that movement. But what was Hatfield's general view on getting a balanced budget? Was he very committed to a balanced budget or did he think that the government could operate in a deficit mode?

KENNEDY: I think Senator Hatfield was like most of his colleagues in that he believed in a balanced budget, not to say in the abstract but yes as a goal. But it wasn't the be all and end all, and it mattered very much how you got there. I think he was disappointed, let's say, in colleagues that talked a lot about the balanced budget but didn't vote that way, who voted for tax cuts, voted for increases in entitlements, and came to the Appropriations Committee with requests for all kinds of projects. Interestingly enough, he did vote for a balanced budget constitutional amendment in the '80s, as did Robert C. Byrd. They both sort of joined hands in the well of the Senate and voted for one. Of course, when '95 rolled around he had changed his mind.

RITCHIE: Another proposal that came along was the line-item veto. President Reagan advocated it consistently in the 1980s. It finally got passed in the 1990s and was in existence for a very brief time until the Supreme Court ruled it unconstitutional. How would that have affected the appropriations process if the line-item had become fully functioning?

KENNEDY: It's honestly hard to say. I think a line-item veto would be a terrible thing to give to the executive. It would drastically skew the balance. But I think it would be effective more as a threat than in practice. Just knowing that the club was behind the door, I think Congress would back away from things that the administration wouldn't want them to do. Fundamentally, I think this is not about earmarks, member projects, and all that.

I think the far more serious issue is the use of the appropriations process by Congress as a policy-wielding tool. Robert C. Byrd always reminds us that the power of the purse belongs with Congress, with the people's branch. That power can be used by Congress to encourage administrations to do things or to prevent them from doing things. If a line-item veto authority takes that power away, then there's a huge, fundamental shift in the balance of power between the two branches. Together we could think of any number of foreign policy issues that have been addressed and shaped in the appropriations process that might not have happened if the president had a line-item veto. Those are significant national security matters, those are not "a bridge in my home district" kind of thing. Its proponents always talk about it that way, but I think the more serious issues are these larger national issues.

RITCHIE: You mentioned that fundamentally the problem with deficits was entitlements. In the early 1980s there was a bipartisan effort to do something about the Social Security System. Claude Pepper, and Daniel Patrick Moynihan—

KENNEDY: Dole.

RITCHIE: Dole, and a lot of other members were very much involved in that. Has the entitlements situation improved since the 1980s, or have things gotten worse?

KENNEDY: Oh, I think the 1990 budget agreement was extremely significant in helping the size, shape, and direction of the whole federal budget. The creation of caps on discretionary spending and far more important the establishment of the pay-as-you-go rules for entitlements and revenues did wonders. I think that was a very responsible agreement. It was done on a bipartisan basis. In the end, it was very much the Democratic majority in the House that passed it. [Newt] Gingrich and the Republicans rebelled. But in the Senate it was very much a bipartisan agreement, and of course it was negotiated by and signed into law by George Bush. I thought that whole 1990 budget agreement was terrific and helped a lot. I wish we could reestablish it.

RITCHIE: Given that it worked, why was there such opposition to it among the House Republicans?

KENNEDY: I think it goes to this whole matter of tax cuts. They believed that the establishment of these pay-go rules just locked in revenues, you'd never have a tax cut again. And of course, we've demonstrated that's not so, because the first tax cuts in the first years of the second Bush administration were done under pay-go rules. It can happen. I guess I believe that deficits do matter and that if you want to be serious about that you need to have some sort of controls, some sort of sideboards on what you do with the entirety of fiscal policy, not just this little bit of non-defense discretionary appropriated dollars, but everything. Entitlements, and revenues, defense, it's all part of the picture. The Andrews budget summit agreement addressed that entire picture and anything that doesn't ultimately is not going to work.

RITCHIE: In November 1986, the Republicans lost the majority in the Senate. That was not anticipated at the time. I remember being somewhat surprised when the

majority shifted at that time. Senator Hatfield reverted to being the ranking Republican and you became the minority staff director. I wanted to ask how different is it being minority staff director as opposed to being majority staff director?

KENNEDY: Oh, it's night and day. We were very fortunate in that John Stennis became chairman and he and Mark Hatfield were great friends. Senator Stennis' staff director, Frank Sullivan, had been his minority staff director for the previous four years so we knew one another well and got along famously. The Appropriations Committee being the bipartisan committee that it still is, we did not have the frictions that existed in other committees. But having said all that, being in the minority is not nearly as much fun. You get to write the book review, maybe, but you don't get to write the book. You're kind of along for the ride. You're not doing much to influence the direction of where you are going.

RITCHIE: Did you give any thought to leaving once the Republicans lost the majority?

KENNEDY: Well, I did, yes. In fact, at the beginning of the first Bush administration the White House extended a little feeler my way to see if I was interested in being a part of the Senate liaison operation. I didn't want to do that because I knew the time involved and I had gotten married in '88 and we were expecting our first child in the spring of '89 and I just didn't want to go to the White House in early '89.

But at least for the first couple of years I didn't think about it much. I was kind of happy where I was. In '85 I had flirted with, but ultimately turned down, an opportunity to go to a corporate office here in Washington. I just didn't want to be a lobbyist. In '87, when the majority changed, I still didn't want to be a lobbyist. I didn't want to go work in the Reagan administration, so I stayed where I was. Then, of course, after a while, when you've been here long enough, you kind of think "I've been here this long, I might as well keep at it."

RITCHIE: In addition to policy, one other legacy of Mark Hatfield as chairman is that he renovated that suite of offices that the Appropriations Committee occupies in the Capitol. It had gotten kind of dingy before he stepped in and were magnificently transformed in the restoration. Did you have anything to do with that?

KENNEDY: No, just to encourage him. If there's one small thing that I did, you may remember that there is now a viewing window where you can look into the hearing room. That space used to be closed and inside the hearing room there was a telephone closet, a phone booth, in there. It was Senator Inouye who said to me one day that he had this idea that we ought to take out the phone booth, and open that door, and put in glass so that people could see the room. I kind of put that idea in Senator Hatfield's head, and he thought that was great. So in the midst of all those other renovations they did that.

If you haven't, you should go over and look, because they are back at it in that hearing room. They're doing marvelous work. All that dark green on the walls is all over-painting. They've gotten down to the original [Constantino] Brumidi and it's this vibrant light blue. The allegorical figures that are painted on the wall really leap off the wall at you now, much more than before. As the conservationist was saying yesterday, it's just like they were floating. It's really magnificent. But, yes, he took a great deal of pride in that. He loved the restoration of that room. He loved the look of it when it was done.

RITCHIE: When I take people through the Capitol, I always tell them that you can measure the influence of a committee by its location, and the Appropriations Committee has the best suite of offices of any committee. Being the "money" committee, it's in a position to do that.

KENNEDY: The Finance Committee was always very jealous of that suite.

RITCHIE: In the nineteenth century, the Finance Committee had the offices on the second floor, right outside the Senate chamber, which today is the majority whip's office.

KENNEDY: Oh, really? On the east side? That was Finance?

RITCHIE: That was Finance back in the 1900 period. Appropriations and Finance were quite close to the chamber, and other committees were further away, but Finance moved to the Russell building eventually.

One other question, to go back to the Reagan and Bush era, you described the

1990 budget agreement as a necessary reaction to the situation in the 1980s, trying to settle the problems that had lingered during that decade. In many ways, George Bush, Sr., did the responsible thing but he paid a huge political price for it.

KENNEDY: He did.

RITCHIE: Do you think there was any other way of doing it? It made it look like he was going back on his political promises.

KENNEDY: No, I don't think there was any other way of doing it. I'm not the one to secondguess this. Others more skilled in the politics of the situation and how you spin things might say that all of it could have been expressed better. It was pretty clear that the Democrats' main goal in the negotiation was to get the president to expressly say that "Yes, we've got to raise taxes," and make him break his promise. Could we have gotten an agreement without that bald expression? I think maybe we could have, I don't know, but from a policy point of view, as I said earlier, if you are going to be responsible about it you have to deal with all components in the fiscal picture. You have to talk about entitlements, and that agreement did that.

Recall that what prompted the negotiation was the threat of a massive sequester under the old Gramm-Rudman regime from the '85 act. Those procedures were still on the books, and those procedures were aimed at only one component really of the budget, namely appropriated dollars. Yeah, they'll tell you that there were some applications to entitlements and mandatory spending, but very minor, and none of the really big ones. Under the law, the government was going to be faced with a huge sequester, a percentage-across-the-board cut on both defense and non-defense, and the administration was saying, "This is unsustainable. We cannot do this." The Democrats were only too happy to agree because of what it would do to non-defense, and because they saw the opportunity to get rid of Gramm-Rudman and do something else.

The whole motivating reason why the negotiations got kicked off in the first place was because they were operating under a regime that focused only on spending. What was the nice part about it was that we were able to get rid of that protocol and move to a framework that is more comprehensive.

RITCHIE: One last Ronald Reagan thought, his training was as a labor leader as well as an actor [as president of the Screen Actors Guild]. He had an ability to claim victory no matter what he got, which I think is a labor negotiator's chief skill. He lost a lot of battles but he always managed to express it in such a way that people thought he had won.

KENNEDY: Yes, even when he was signing all of those tax bills in '82 and '83, everything was just fine.

RITCHIE: I think he referred to them as "revenue enhancements."

KENNEDY: Right.

RITCHIE: Well, you said you needed to leave here by 2:30, so this is probably a good place to break. We can pick it up next time with the Bush administration. But this has been very interesting to me. Thank you.

KENNEDY: Certainly. Thank you.

End of the Fourth Interview